

# EXHIBIT 1

# EXHIBIT 1

**RAY QUINNEY & NEBEKER**  
PROFESSIONAL CORPORATION  
ATTORNEYS AT LAW

36 South State Street, Suite 1400  
P.O. Box 45385  
Salt Lake City, Utah 84145-0385  
Telephone: (801) 532-1500  
Facsimile: (801) 532-7543

**FACSIMILE TRANSMISSION COVER SHEET**

**TO:**

NAME	FAX	TELEPHONE	CLIENT/ MATTER NO.
Janet L. Chubb	775-786-1177	775-786-5000	34585-14

**FROM:** Annette W. Jarvis / pb

User ID No: 342

**DATE:** May 24, 2006

**Number of Pages including cover sheet:** 3

**Message:**

If you do not receive all the pages, please call (801) 532-1500 and ask for the fax operator (ext. 3452).

The information transmitted with this cover sheet is confidential and may be protected from disclosure by law as proprietary information, attorney-client communications, attorney work product or otherwise. It is intended for the exclusive use of the recipient named above.

If you are not the recipient named above, you are hereby notified that any use, copying, disclosure or distribution of the information transmitted with this cover sheet may be subject to legal restriction or sanction, and you are requested to call  
Ray, Quinney & Nebeker at (801) 532-1500 to arrange for the return or destruction of the  
information and all copies.

Ray, Quinney & Nebeker has offices in Salt Lake City & Provo, Utah

RAY QUINNEY & NEBEKER

May 24, 2006

VIA FACSIMILE

Janet L. Chubb  
JONES VARGAS  
100 W. Liberty St., 12<sup>th</sup> Floor  
P.O. Box 281  
Reno, NV 89504-0281

Re: Indentity of Your Clients

Dear Ms. Chubb:

As you know, this firm represents USA Commercial Mortgage Company ("USA") and certain related debtors in the jointly administered (under Case No. 06-10725) bankruptcy cases filed April 13, 2006 in the U.S. Bankruptcy Court for the District of Nevada. I write to request that you immediately provide information identifying your clients, consistent with the Court's directive at the May 18, 2006 hearing, with respect to recent filings you made on behalf of your clients in the USA bankruptcy case.

On May 11, 2006, you filed the following papers in the USA bankruptcy case on behalf of your clients: (1) Direct Lenders' Motion for Relief from the Automatic Stay; and (2) Direct Lenders' Motions: 1. to Compel Debtor to Continue to Forward Lender Payments to Direct Lenders; and 2. to Delay or Prohibit Appraisals on Performing Loans (collectively, the "Motions"). The Motions state that your firm represents "numerous direct lenders who are named beneficiaries ('Direct Lenders') of certain loans" originated by USA, but the Motions fail to identify who your clients are. The Motions identify only Mojave Canyon, Inc. as a lender with respect to a "representative example of a lender-loan package," portions of which are included as exhibits to the Motions. However, the Motions never clearly state whether Mojave Canyon, Inc. is in fact one of your clients and one of the "Direct Lenders" who are the movants behind the Motions, and more importantly, the Motions do not identify any of the other "numerous direct lenders" you purport to represent.

At the hearing you attended on May 18, 2006 in USA's bankruptcy case, the Court directed that all attorneys representing more than one client in these cases are required to file a disclosure of such clients and the other information specified under Fed. R. Bankr. P. 2019(a), even if such clients are direct lenders who may not be either creditors or equity security holders. USA cannot meaningfully respond to the Motions you filed without having this information so that it can know who the movants are that you represent and determine the specific loans and interests involved. Please provide this

Annette W. Jarvis  
ATTORNEY AT LAW

PO Box 45385  
Salt Lake City, Utah  
84145-0385

36 South State Street  
Suite 1400  
Salt Lake City, Utah  
84111

801 532 1500 FIRM  
801 323 3321 DIRECT  
801 532-7543 FAX  
ajarvis@rqn.com  
www.rqn.com

A PROFESSIONAL CORPORATION

05/24/06 WED 14:27 [TX/RX NO 9388]

May 24, 2006  
Page 2

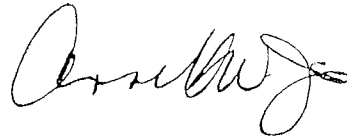
---

information to me by no later than 10 a.m. tomorrow, May 25, 2006. If for some reason you are unable to provide a complete Rule 2019 disclosure by that time, I ask that you provide by that time, at a minimum, a list of each of your clients who are movants with respect to the Motions discussed above.

Please contact me immediately if there is any reason you intend not to provide the requested information.

Sincerely,

RAY QUINNEY & NEBEKER P.C.

A handwritten signature in black ink, appearing to read "Annette W. Jarvis", with a stylized flourish at the end.

Annette W. Jarvis

AWJ/pb  
cc: Frank Merola  
Eve Karasik

876692